## INTRODUCTION

This report, the second in what will be an annual series, provides an overview of firearms commerce as it affects the United States. As noted in the first edition, Commerce in Firearms in the United States: February 2000, the Bureau of Alcohol, Tobacco and Firearms (ATF) is responsible for enforcing the Gun Control Act of 1968 (GCA). The GCA regulates the manufacture, importation, distribution, and sale of firearms, and it contains criminal provisions related to the illegal possession, use, or sale of firearms. ATF also administers the National Firearms Act (NFA), which requires the registration of certain weapons, such as machineguns and destructive devices, and imposes taxes on the making and transfer of those weapons.

This edition contains information about domestic firearms manufacturing, as well as about the importation and exportation of firearms. It also provides an update of certain Bureau regulatory initiatives, such as efforts to improve regulatory compliance and the firearms tracing process, and the fostering of partnerships with the firearms industry.

Part I contains information about domestic firearms manufacturing and the importation and exportation of firearms, which is intended to provide a better understanding of the firearms market.

Part II highlights initiatives that the Bureau has developed to improve the integrity of the

firearms license renewal process, to facilitate crime gun tracing, <sup>1</sup> and to prevent illegal firearms sales and trafficking. It also discusses ATF's efforts to foster partnerships with the firearms industry.

The appendix to this report is a series of statistical tables, which contain the most up-to-date information available about the firearms industry and ATF's regulatory activities. Through its regulatory activities, ATF works to ensure compliance with the Federal firearms laws and to prevent firearms from either knowingly or inadvertently being diverted to individuals prohibited from possessing them.

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<sup>&</sup>lt;sup>1</sup> Crime gun tracing is the systematic tracking of the movement of a firearm recovered by law enforcement officials from its first sale by the manufacturer or importer through the distribution chain to the first retail purchaser. The tracing process enables law enforcement officials to develop investigative leads, identifying suspects or individuals from whom crime guns are obtained.

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